

## Statistics

---

### Population (2003)

|          |                |           |                                |
|----------|----------------|-----------|--------------------------------|
| Arizona: | 4,963,074      | metro     | (2.0% of total U.S. metro)     |
|          | <u>617,737</u> | non-metro | (1.3% of total U.S. non-metro) |
|          | 5,580,811      | total     |                                |

|                |                   |           |
|----------------|-------------------|-----------|
| United States: | 241,395,996       | metro     |
|                | <u>49,413,781</u> | non-metro |
|                | 290,809,777       | total     |

### Farm-Related Employment (2000)

|                |                 |                                     |
|----------------|-----------------|-------------------------------------|
| Arizona:       | 369,814 jobs    | (13.5% of total Arizona employment) |
| United States: | 25,834,574 jobs | (15.6% of total U.S. employment)    |

### Number of Farms (2002)

|                |           |                            |
|----------------|-----------|----------------------------|
| Arizona:       | 7,294     | (0.3% of total U.S. farms) |
| United States: | 2,128,982 |                            |

### Average Farm Size (2002)

|                |       |
|----------------|-------|
| Arizona:       | 3,645 |
|                | acres |
| United States: | 441   |
|                | acres |

### Market Value of Agricultural Products Sold (2002)

|                |                 |
|----------------|-----------------|
| Arizona:       | \$2.4 billion   |
| United States: | \$200.6 billion |

**Rank among all States in market value of agricultural products sold (2002): #29**

### Top 5 Agricultural Commodities (2005)

| Commodity         | Value of receipts (thousand \$) | Percent of U.S. value |
|-------------------|---------------------------------|-----------------------|
| Lettuce           | 967,828                         | 42.7                  |
| Cattle and calves | 626,016                         | 1.6                   |
| Dairy products    | 399,789                         | 1.9                   |
| Cotton            | 146,739                         | 3.8                   |
| Hay               | 116,209                         | 2.5                   |

### **Market Value of Agricultural Products Sold Directly to Consumers (2002)**

Arizona: \$4 million  
United States: \$812.2 million

### **Farmers Markets (2004)**

Arizona: 32  
United States: 3,617

### **Market Value of Certified Organic Commodities (2002)\***

Arizona: \$3.4 million  
United States: \$392.8 million

\*(Data may not reflect actual industry growth after Oct. 2002 implementation of USDA National Organic Program.)

### **Certified Organic Acreage (2001)**

Arizona: 8,933 acres  
United States: 2,343,857 acres

### **USDA-Accredited Organic Certifying Agents (2005)**

Based in Arizona: 0  
Total: 96

## **Marketing Products and Services**

---

### **Specific to Arizona**

#### **AMS Provides Technical Support to Arizona Market Project**

At the request of Market Manager Cindy Gentry, AMS visited Phoenix in February 2005 to provide technical support for the Community Food Connection, a nonprofit organization seeking to rebuild the market district. AMS assisted in planning the market district in downtown Phoenix

that will return the area to its historic role as a distribution center for Arizona produce brokers and create new outlets for Arizona growers. The project will revitalize a community market hub and establish a central warehouse for food storage and repackaging. This is the second phase of a cooperative research agreement with Arizona State University to develop a permanent year-round farmers market facility in downtown Phoenix. A temporary market facility with a 5,000-square-foot canopy that provides space for 40 vendors opened in February 2005.

### **Southwest Marketing Network Conference**

AMS presented information about the agency's marketing services and resources during a panel discussion on Federal assistance programs and managed an informational exhibit at the 2<sup>nd</sup> annual Southwest Marketing Network conference, held in Flagstaff in March 2004. Entitled *Expanding Markets for Southwest Small-Scale, Alternative and Minority Producers*, the conference was designed to help agricultural producers and ranchers in Arizona, Colorado, New Mexico and Utah develop effective marketing opportunities for their farm products through information exchange and peer support. The primary themes of the 2004 conference included several topics that corresponded to AMS marketing programs, including:

- Direct sales to schools, restaurants, and institutions
- Niche marketing for meat and wool products
- Farmers markets and CSA development (including the development of State direct marketing and farmers market associations)

### **Farmers Market in Downtown Phoenix**

In 2003, AMS initiated a cooperative research agreement with the College of Architecture and Environmental Design at Arizona State University, in cooperation with the Phoenix-based non-profit organization Community Food Connections, Inc., to analyze the feasibility of developing a year-round farmers market in a downtown neighborhood of Phoenix. A report of this preliminary feasibility study was completed in February 2004.

### **AMS Staff Explores Direct Marketing Opportunities in Phoenix**

An AMS representative met with farmers, farmers market managers, State agricultural staff, business leaders, and elected officials in Phoenix in April 2003 to discuss plans for expanding direct marketing opportunities in the downtown district. Discussions focused on creating a year-round wholesale and retail market, featuring Arizona-produced agricultural products, that would serve diverse residential and commercial communities as part of the revitalization of downtown Phoenix. The AMS staff member visited four farmers markets and the farms of three producers currently involved in direct marketing activities and met with representatives from the Arizona Department of Agriculture, Arizona State University, Maricopa County Cooperative Extension, and Phoenix Mayor Skip Rimsza.

### **AMS Participates in National Market News Association Annual Meeting**

In October 2002 AMS staff participated in the 45<sup>th</sup> Annual National Market News Association (NMNA) workshop in Phoenix. NMNA is an association of Federal and State market reporters, market news and information specialists, and analysts. The organization's objective is to keep marketing information current as the marketing system changes and to promote cooperation and the exchange of new and helpful ideas. The theme of this year's workshop was *Market News and the World Around Us*, and the topic of focus during the workshop was "Trends in agriculture." AMS presented information on the market news items available from AMS, such as the Ocean Freight Rate Bulletin and the Agricultural Ocean Transportation Trends report.

### **Workshop with Navajo Nation**

AMS held a workshop on small farm marketing issues in cooperation with the Navajo Nation's Department of Agriculture in Window Rock, September 2002. Discussion topics included niche

marketing opportunities in the Navajo community, value-added farm products, developing marketing business plans, and cooperative marketing strategies.

### **Navajo Nation Study**

A collaborative research project was carried out jointly by AMS and the Navajo Nation in 2001 and 2002 to assess the preferences and needs of customers and food vendors in the Navajo community. The project was designed to help Navajo farmers develop more successful direct marketing channels for traditional or locally grown foods.

### **Federal State Marketing Improvement Program (FSMIP) Grants**

FSMIP provides matching funds to State Departments of Agriculture and other appropriate State agencies to assist in exploring new market opportunities for food and agricultural products, and to encourage research and innovation aimed at improving the efficiency and performance of the marketing system.

- In 2002, \$31,580 was awarded to the Arizona Department of Agriculture, in cooperation with Arizona State University East, to assess the level of awareness of, and impact on sales, of the Arizona Grown brand among minority consumers.

### **Regional Interest**

#### **Arizona Participates in Food Policy Conference**

Arizona was a participant in the third annual Iowa Food Policy Conference at Drake University in Des Moines, IA, in September 2004. The theme of the conference was *The Role of Farmers Markets in America's Food System*. The conference consisted of workshops, panel discussions, and reports presented by representatives of a multi-state partnership, to provide consultation, training, and information for traditionally underserved farmers, with a focus on producers of specialty crops. The conference was sponsored by USDA's AMS and Risk Management Agency. Participants were from Arizona, Illinois, Iowa, Kansas, Minnesota, New Mexico, North Carolina, Oklahoma, Oregon, Utah, and Washington.

#### **Southwest Marketing Network Conference**

In March 2004, AMS managed an exhibit booth at the second annual Southwest Marketing Network conference in Flagstaff. Entitled *Expanding Markets for Southwest Small-Scale, Alternative, and Minority Producers*, the conference helps agricultural producers and ranchers in Arizona, Colorado, New Mexico, and Utah develop effective marketing opportunities for their farm products through information exchange and peer support. This year's conference featured five primary themes: direct sales to schools, restaurants, and institutions; niche marketing for meat and wool products; skill and leadership development; development of farmers markets and community supported agriculture (including the development of State direct marketing and farmers market associations); and Southwest food and agricultural policy. AMS participated in a discussion of available Federal resources for agricultural marketing initiatives. *The Southwest Marketing Network* is a consortium of several organizations involved in supporting small-scale, alternative, and sustainable agriculture, including: the National Center for Appropriate Technology, Farm to Table, the Farm Connection, the Traditional Native American Farmers Association, the Navajo Nation Department of Agriculture, Colorado State University, the University of Arizona, and the Henry A. Wallace Center for Agricultural and Environmental Policy at Winrock International.

#### **Direct Marketing Publication in Spanish**

In response to the growing demand among producers and agricultural extension staff for direct marketing information in Spanish, AMS has published *Las Ventas Directas Hoy en Día: Retos y Oportunidades*, a Spanish-language version of its popular publication, *Direct Marketing Today: Challenges and Opportunities*, originally published in 2001.

### **AMS Publishes Report on Mexican Produce Distribution Practices**

AMS published *Mexico's Changing Marketing System for Fresh Produce: Emerging Markets, Practices, Trends, and Issues* (PDF) in 2002. The report, which was prepared in collaboration with USDA's Economic Research Service and Texas A&M University, focuses on how trade liberalization is transforming the structure of the traditional fresh fruit and vegetable marketing system in Mexico. The rapid growth of national and international supermarket chain stores in recent years has prompted changes in the traditional supply chain. Recent entrants to the Mexican supermarket industry have begun to introduce new forms of supply chain management and procurement practices developed in their home market and other foreign markets, threatening the traditionally dominant role of the urban wholesale market in Mexican retailing. The report describes the changes that have taken place in Mexico's fresh produce distribution system in recent years, the challenges that continue to undermine efficient distribution of fresh fruits and vegetables, and the implications of these changes and challenges for U.S. fresh produce growers and shippers. The publication is also available in a print edition upon request from AMS.

### **General Interest**

#### **New Farm-to-School Marketing Publication**

*Eat Smart—Farm Fresh! A Guide to Buying and Serving Locally-Grown Produce in School Meals* was published in December 2005 by the Food and Nutrition Service (FNS) of USDA. The publication, which helps school lunch programs find locally-grown produce, was developed by a multiagency task force that included an agricultural marketing specialist from AMS, four child nutrition specialists from FNS, and the Community Food Security Coalition, a non-profit organization.

#### **Farm-to-School Report**

*How Local Farmers and School Food Service Buyers Are Building Alliances* helps small farmers and school food service buyers explore how they might establish direct marketing linkages.

#### **Marketing via the Internet**

*How to Direct Market Farm Products on the Internet* is designed to help small/medium-sized agricultural producers better develop Internet-based sales transactions by recommending effective methods for reaching and retaining customers.

#### **Trends in Farmers Markets**

*U.S. Farmers Markets—2000: A Study of Emerging Trends* assesses the importance of farmers markets as a distribution channel for farm products, documents the recent growth in farmers markets operations, and provides an updated profile of management, operations, and merchandising at farmers markets.

#### **Market Research on Small Meat Processors**

*Enhancing Commercial Food Service Sales by Small Meat Processing Firms*, published by AMS in cooperation with Texas A&M University, determines potential areas of competitive advantage for smaller scale meat manufacturing firms in supplying local restaurants and other local commercial food service accounts.